LETTER

FROM THE

Secretary of State,

INCLOSING A

REPORT

OF THE

DIRECTOR OF THE MINT,

SUGGESTING THE EXPEDIENCY OF SOME

ALTERATIONS IN ITS ESTABLISHMENT,

TO RENDER IT

LESS EXPENSIVE TO THE PUBLIC,

AND

MORE ACCOMMODATING TO DEPOSITORS.

20th December, 1796,

Referred to Mr. PAGE,
Mr. HAVENS, and
Mr. GOODRICH.

13th February, 1797,

Committed to a Committee of the whole Houſe, on Monday next.

8th December, 1797,

Committed to a Committee of the whole Houſe, on Wedneſday next.

DEPARTMENT OF STATE,
December 19, 1796.

SIR,

BY the direction of the Preſident of the United States, I have the honor to encloſe a report of the Director of the Mint, ſuggeſting the expediency of ſome alterations in its eſtabliſhment, to render it leſs expenſive to the public, and more accommodating to depoſitors. The report is accompanied with ſtatements of the gold, ſilver and copper coins, iſſued from the Mint, from its commencement to the 24th of the laſt month, accounts of the gold and ſilver bullion, which has been depoſited, and an account of waſtage, and a deficit in the ſilver coinage, which require an appropriation of two thouſaud eight hundred and twenty dollars and ſeventy one cents, to reimburſe depoſitors.

I am, with great reſpect,
Sir,
Your moſt obedient Servant,
TIMOTHY PICKERING.

The Speaker of the Houſe of Repreſentatives of the United States.

MINT OF THE UNITED STATES,

November 29, 1796.

SIR,

I HAVE the honor of incloſing, for the Preſident of the United States, my annual Report on the State of the Mint, with the abſtracts referred to therein.

With ſentiments of eſteem and reſpect,

I remain,

SIR,

Your moſt obedient, and very humble Servant,

ELIAS BOUDINOT.

To the Secretary of State.

REPORT.

THE DIRECTOR *of the* MINT *of the* UNITED STATES, *reſpectfully reports to the Preſident of the United States on the ſtate of the* MINT—

THAT during the experience of twelve months, he has turned his attention (as far as has been in his power) to the inſtitution under his care. He has ſeen with regret an opinion generally prevailing, that the eſtabliſhment is unneceſſarily expenſive, and leſs productive than was rationally expected by its advocates and friends.

The Director finding ſome foundation for the charge, has endeavored to diſcover the cauſe, as nothing appears in the general nature of the inſtitution, to warrant the idea.

The iſſue of the enquiry is, that the extraordinary expences attending the Mint, are in a great meaſure, owing to its original plan and the principles on which it was eſtabliſhed. Among others, the whole coinage, including the refinement of the precious metals, was directed by law to be executed at the public expence, the depoſitor being fully indemnified from all charges whatever: On this principle, not only the original coſt of the works, and the ſalaries of the ſtated officers, fall on the public; but alſo the whole amount of the workmanſhip, with the alloy, waſtage and contingent loſſes.

The want of experimental knowledge in the buſineſs at the firſt eſtabliſhment of the Mint prevented any tolerable preciſe eſtimate of the expences neceſſarily attending the proceſs; but ſoon after the commencement of the buſineſs, it was found impracticable to proceed with propriety, unleſs an addition was made to the eſtabliſhment, by the appointment of a Melter and Refiner.

This important and neceſſary officer, is not known in foreign Mints, as the precious metals are there generally

depoſited of the proper ſtandard, or above it ; or they are purchaſed by the Mint, and become public property ; there being profeſſional refiners independent of the Mints whoſe buſineſs it is to purify metals under ſtandard ; but there being no ſuch artiſts in this city who follow the buſineſs, it became indiſpenſably neceſſary to execute this ſervice in the Mint.

This circumſtance was not foreſeen, or if foreſeen, was conſidered as included in the duties of the Aſſayer ; but the neceſſity of ſo eſſential a check on that officer, forbad this meaſure, had it been otherwiſe practicable. This added conſiderably to the annual expences of the Mint.

Formerly the Director could not make any charge for this proceſs, againſt depoſitors ; the whole expence therefore fell on the public. Thus on aſſaying one depoſit of about 96,000 oz. of ſilver bullion. it turned out near 24,000 oz, under ſtandard ; to refine which, it coſt the United States upwards of 500l. ſo that the depoſitor really gained that ſum, by bringing his bullion to the Mint. This operated very unequally among depoſitors. The citizen who brought bullion in this debaſed ſtate, to the Mint, received as much coin for the ſtandard ſilver therein, as he whoſe bullion was previouſly refined equal to the ſtandard, and ready for coining at a very trifling expence.

Again, the inſtitution of the Mint, without any appropriation of capital, either to purchaſe the precious metals in bullion, anticipate payments due on depoſits, or to coin for the public, has been another cauſe of very conſiderable expence. Depending upon depoſitors alone for the precious metals, it became neceſſary for their encouragement and ſatisfaction to coin every depoſit as ſoon as poſſible after it came into the Treaſury of the Mint, to prevent its remaining unproductive to the depoſitor ; by which means the clippings and grains were obliged to be melted and coined as they aroſe, often three or four times for one depoſit.

Thus the melting, refining and coining a depoſit of 200 oz. of ſilver, or 20 oz. of gold, would coſt the public nearly as much as 1000 oz. of either, and a much

greater proportional waſtage ; whereas could the bullion be purchaſed for the public at the market price, and kept in the vaults till a large quantity might be coined at once or a capital of about ten thouſand dollars be allowed to the Mint, ſo as to anticipate the payments to depoſitors without being obliged to an immediate coinage on every occaſion, a very great public ſaving would take place, not only as to the waſtage, but in the expenditure of the materials and labour uſed in the proceſs, and no injury done to the United States, but in the loan of the money for a ſhort time. In a word, the difference would be much the ſame, as between the wholeſale merchant and the huckſter.

This meaſure would alſo have a tendency to fix the price of bullion, and indemnify the public for ſome part of the expence of coinage. The only queſtion that would ariſe is, whether, on the principles of political economy, it would be a prudent meaſure on the part of government ? Suppoſe the expences of coinage, including waſtage, to be fixed at three per centum to the depoſitor, while in foreign countries, it coſts nothing. The conſequence would be, that bullion in America, might vary its price three per cent. according to the balance of trade; while bullion in thoſe countries muſt be ſuppoſed invariable in its price, let the balance of trade ſtand as it will. Bullion then, in thoſe countries will always be at the higheſt price it ever can be at in America, ſince it is the price of coin ; but in America it may be three per cent. lower. If therefore the United States, by coining free of all expence, contribute to keep the price of bullion higher than it is in countries where the coinage is paid for, a voluntary expence is created, of which there can be no juſt reaſon to complain.

A repreſentation of ſome of theſe difficulties, with the dangerous ſituation of the Mint, for want of protecting laws to ſecure the inſtruments of coinage, the metals and the coin, as alſo to prevent counterfeits, has been heretofore made by the officers of the Mint, with but little other ſucceſs, than a reſolution of Congreſs, enabling the

Director to retain the expence of refining the precious metals under ſtandard; but the waſtage, alloy and coinage, are ſtill dead charges on the public Treaſury.

While therefore this policy, on the whole, is conſidered as beneficial to the United States, the complaints againſt the Mint for its heavy expences to the public, are without ſolid foundation, as it is impoſſible to carry on an inſtitution of this nature, under theſe circumſtances, and which requires from 15 to 20 workmen and labourers to attend it, without great expence. Add to this, that the alloy of ſilver and copper, with the loſs by neceſſary waſtage, muſt unavoidably riſe to a conſiderable annual amount.

But notwithſtanding theſe, and other difficulties attending an infant inſtitution, eſpecially the late great advance in the prices of materials and labour, the aggregate expences of the Mint, are greatly reduced, either from the ſuperior knowledge of the perſons employed, gained by experience, or from new arrangements found to be more advantageous than thoſe made on the ſpur of the occaſion. This will appear more evident, by a review of the progreſſive reduction of the contingent expences, in the quarterly accounts rendered into the Treaſury Department, and it is hoped that there will be a further progreſs in this deſirable economy.

When the preſent Director entered upon the adminiſtration of the Mint, there was no appropriation of money for the purchaſe of copper, for the coinage of cents. This he clearly foreſaw would prove a ſource of further expence, by often leaving the workmen without employ. He made application to Congreſs by their committee, on this ſubject; but all that was obtained was thirteen thouſand dollars, which was coined into cents, and returned into the public Treaſury, or remitted for the purchaſe of copper, before the riſing of Congreſs the laſt ſpring. No further appropriation was made, till it was too late to procure the neceſſary importation of copper for the ſummer's coinage, whereby much time has been loſt, and ſome conſiderable ex-

pence of workmen has been added to the ſummer's account.

It is now hoped, from the preſent arrangement, no ſuch inconvenience will ariſe hereafter; but a continual and ample ſupply of copper coinage be produced adequate to the public wants.

As the laws relative to the Mint now ſtand, the officers are obliged to pay to each depoſitor the coins ariſing from his depoſit, in ſtrict order, and to reſerve three pieces of coin from each maſs; yet no appropriation has been made to replace the reſerves, or to make good the waſtage: it is therefore impoſſible for the officers of the Mint to comply with the law; and the depoſitors complain of being kept out of their property, till proviſion is made by Congreſs for their relief.

By a number of new half-johannes brought to the Mint for aſſaying, ſaid to have been coined in the United States, it appears that a coinage for that purpoſe is carried on in ſome ſtate in the Union. Some of theſe are found to be under ſtandard in their quality, and between two and three penny-weights leſs than their true weight. Theſe are facts which the Director thinks it his duty to communicate to the Preſident.

From the various experiments made ſince the eſtabliſhment of the Mint, it is found unneceſſary to make uſe of ſilver in alloying of gold, unleſs it is for the purpoſe of beautifying the coin; in which caſe it ſhould be compoſed at the proportion of one-third ſilver to two-thirds copper.

By the following abſtracts of the bullion and coin received and iſſued from the Mint, ſince its firſt eſtabliſhment, may be ſeen, as well the nature of the depoſits made, as the coins returned to the Treaſury, and the dates of the receipts and iſſues to this day, with the amount of the copper coinage.

From this it appears, that there is due for waſtage, during that period, the quantity of fifteen hundred

and ninety-nine ounces, ſixteen penny-weights and fifteen grains of ſilver, equal to eighteen hundred and forty-five dollars, ninety-five cents and five mills; beſides a deficit of eight hundred and forty-four ounces, ſeventeen penny-weights and five grains of ſilver, equal to nine hundred and ſeventy-four dollars, ſeventy-five cents and five mills; making in the whole two thouſand eight hundred and twenty dollars and ſeventy-one cents; for which an appropriation ought to be made by law, to ſatisfy a deficient depoſit.

The Director thinks it neceſſary to mention, in exculpation of the former officers of the Mint, that by a report made on this ſubject, it appears that there is yet a conſiderable quantity of old pots and teſt bottoms, from which it is expected that nearly the amount of the deficient ſilver, as ſtated above, will be extracted.

ELIAS BOUDINOT.

MINT *of the* UNITED STATES,

29*th November*, 1796.

ABSTRACT (A.)

A Statement of the Denomination and Value of Gold Coins, iſſued from the Mint of the United States, from the commencement of the eſtabliſhment, to the date hereof.

Period when iſſued.	*Denomination.*			*Value.*
	Eagles.	*Half Eagles.*	*Quarter Eagles.*	*Dolls.*
From 31 July to 30 Sept. 1795, inclusive	1,297	8,707	. .	56,505
1 Oct. 31 Dec. . .	1,498	. .	. .	14,980
1 Jan. 31 Mar. 1796, .	2,788	. .	. .	27,880
1 April 30 June, . .	3,292	780	. .	36,820
1 July 30 Sept. . .	. .	2,619	66	13,260
Total	8,875	12,106	66	149,445

MINT *of the* UNITED STATES,

Treaſurer's-Office, November 24, 1796.

NICHOLAS WAY.

ABSTRACT (B.)

A Statement of the Denomination and Value of Silver Coins, iſſued from the Mint of the United States, from the commencement of the eſtabliſhment, to he date hereof.

Period when iſſued.	*Denomination.*					*Value.*	
	Dolls.	*Half Dolls.*	*Qr. Dolls*	*Diſmes*	*Half Diſmes*	*Dolls.*	*Cs*
From 1 Oct. 1794, to 30 Sept. 1795, inclusive . .	126,553	323,144	.	.	25,856	289,417	80
From 1 Oct. 1795, to 31 Dec. . .	78,238	. .	.	.	60,560	81,266	.
From 1 Jan. 1796, to 31 March, 1796	7,717	. .	.	17,950	6,840	9,854	.
From 1 April to 30 June . .	20,404	. .	5,894	4,185	3,390	22,465	50
From 1 July to 30 Sept.	31,926	. .	.	.	.	31,926	.
From 1 Oct. to this day	8,103	. .	.	.	.	8,103	.
Total	272,941	323,144	5,894	22,135	96,646	443,032	30

MINT *of the* UNITED STATES,

Treaſurer's-Office, Nov. 24, 1796.

NICHOLAS WAY.

ABSTRACT (C.)

A Statement of the Denomination and Value of Copper Coin, iſſued from the Mint of the United States, from the commencement of the eſtabliſhment to the date hereof.

Period when iſſued.	*Denomination.*		*Value.*	
	Cents.	*Half Cents.*	*Dolls.*	*Cts.*
From March 1, 1793, to Dec. 31, 1795, incluſive . .	1,066,033	142,534	11,373	.
From Jan. 1, 1796, to March 31, 1796	501,500	109,000	5,560	.
April 1, . . June 30 .	109,825	5,090	1,123	70
July 1, . to this day .	363,375	1,390	3,640	70
Total	2,040,733	258,014	21,697	40

MINT *of the* UNITED STATES,

Treaſurer's-Office, November 24, 1796.

NICHOLAS WAY.

ABSTRACT (D.)

A Statement of the groſs and ſtandard Weight of Gold Bullion, depoſited at the Mint of the United States, for coinage, from the commencement of the eſtabliſhment, to the date hereof.

When depoſited.		*Deſcription of Bullion.*	*Groſs Weight.* oz.	dwts.	grs.	*Standard Wt.* oz.	dwts.	grs.
1795. Feb.	12	Ingots	130	4	9	128	-	18
March	24	Ditto	21	13	12	21	8	12
May	18	Chain	27	-	-	26	13	-
	22	Ingots	55	2	12	53	1	2
	25	Duſt	21	5	-	17	12	15
July	23	Ditto	723	9	-	600	5	-
	—	Ditto	877	6	-	727	18	7
	31	Spaniſh Coins	82	1	-	81	18	20
Auguſt	5	Ingots	63	17	-	63	17	-
	6	Britiſh and Portugal Coin	281	-	-	281	-	-
	13	Britiſh Coins	29	8	12	29	8	12
	25	Ditto and Portugal ditto	275	8	-	274	12	18
Sept.	10	Duſt	214	17	16	214	17	16
	17	Portugueſe and Britiſh Coin	225	-	-	225	-	-
	—	Duſt	27	8	-	27	8	-
	18	Portugueſe Coins	450	-	-	450	-	-
Oct.	1	Ingots	215	-	12	215	-	12
	—	Ditto	54	17	8	54	17	8
	9	Ditto	35	6	-	35	14	-
Nov.	5	Ditto	27	5	12	27	4	12
	12	Duſt	227	6	-	190	7	6
	—	Ingots	78	17	10	78	14	3
	16	Duſt	168	7	-	141	19	12
	—	Ditto	240	8	-	204	6	12
	18	Ingots	27	11	12	26	6	6
Dec.	1	Clippings	24	17	-	25	1	6
	11	Ingots	34	10	9	33	14	15
	—	Ditto	80	9	12	80	-	21
		Carried over	4,719	16	16	4,336	18	17

(D.) CONTINUED.

When deposited.	*Description of Bullion.*	*Gross Weight.* oz. dwts. grs			*Standard Wt.* oz. dwts. grs		
	Brought up	4,719	16	16	4,336	18	17
1795. Dec. 12	Ingots . .	348	16	6	348	16	6
1796. Jan. 22	Ditto . .	54	11	12	54	14	3
25	Ditto . .	27	5	6	27	14	12
28	Ditto . .	19	1	-	20	7	-
Feb. 6	Ditto . .	56	6	12	56	6	12
15	Ditto . .	54	-	-	47	17	6
19	Ditto . .	32	11	12	32	18	18
March 1	Dust . .	667	17	-	619	-	11
5	Medal, Snuff-box, &c.	27	5	12	26	4	14
26	Ingots . .	47	-	12	47	-	12
April 16	Dust . .	315	15	-	278	14	-
25	Ingots . .	27	1	6	27	1	6
May 5	Ditto . .	20	8	12	20	8	12
6	Ditto . .	20	9	-	19	19	-
7	Dust . .	294	10	-	250	19	16
—	Ditto . .	905	3	-	838	4	12
31	Ditto . .	583	8	-	477	6	12
June 11	Ingots . .	156	11	-	142	6	10
25	Ditto . .	70	14	-	71	5	22
July 5	Ditto . .	34	11	12	34	11	12
11	Ditto . .	20	9	-	18	3	6
—	Ditto . .	343	9	-	373	10	23
12	Ditto . .	84	3	-	84	3	-
14	Ditto . .	50	17	-	39	5	20
21	Ditto . .	32	13	-	32	13	-
Sept. 8	Ditto . .	86	1	8	86	-	18
Oct. 11	Dust . .	973	8	-	830	15	10
19	Ingos . .	151	4	8	128	11	-
28	Ditto . .	34	11	18	34	11	18
Nov. 10	Ditto . .	20	-	-	16	15	5
—	Ditto . .	49	19	6	48	17	3
12	Ditto . .	291	12	-	314	15	21
24	Ditto . .	49	4	20	50	2	-
	Total	10,670	10	10	9,837	-	14

MINT *of the* UNITED STATES,

Treasurer's-Office, November 24, 1796.

NICHOLAS WAY, Treasurer.

ABSTRACT (E.)

A Statement of the groſs and ſtandard Weight of Silver Bullion, depoſited at the Mint of the United States, for coinage, from the commencement of the eſtabliſhment, to the date hereof.

When depoſited.	*Deſcription of Bullion.*	*Groſs Weight.* oz.	dwts.	grs	*Standard Wt.* oz.	dwts.	grs
1794. July 18	Coins of France	94,179	-	-	69,692	8	-
Auguſt 22	Ingots .	1,479	5	-	1,479	5	-
—	Ditto .	255	5	-	255	5	-
—	Ditto .	1,132	10	-	1,132	10	-
—	Ditto .	40	13	-	40	13	-
23	Coins of Spain	19,271	15	-	19,271	15	-
1795. January 1	Ingots .	93,298	5	-	95,791	5	-
May 9	Ditto .	15,744	-	-	16,106	19	-
18	Ditto .	4,177	-	-	4,287	10	-
30	Ditto .	7,039	5	-	7,206	-	-
June 10	Ditto .	11,170	10	-	11,399	13	-
12	Coins of France	527	10	-	395	-	-
13	Ingots .	14,546	10	-	14,78	7	-
July 9	Ditto .	1,981	-	-	1,966	14	-
—	Ditto .	12,085	5	-	12,400	6	-
—	Ditto .	11,719	5	-	12,060	6	-
—	Ditto .	12,027	15	-	12,407	12	-
—	Ditto .	11,644	15	-	12,002	18	-
Sept. 21	Ditto .	6,961	5	-	17,360	7	-
—	Ditto .	16,795	-	-	11,114	12	-
—	Ditto .	16,999	10	-	17,426	8	-
Oct. 10	Coins of France	299	5	-	217	18	-
24	Ditto .	1,029	-	-	748	8	-
Nov. 21	Ingots .	710	3	-	719	-	-
	Carried over	365,113	11	-	346,265	9	-

(E.) CONTINUED.

When depoſited,	*Deſcription of Bullion.*	*Groſs Weight.* oz. dwts. grs	*Standard Wt.* oz dwts. grs.
	Brought over	365,113 11 -	340,265 19 -
1795. Dec. 21	Ingots -	1,016 5 -	1,037 4 -
1796. Feb. 3	Ditto -	216 4 -	223 7 -
March 14	Ditto -	357 10 -	352 2 -
28	Ditto -	1,275 15 -	1,286 7 -
April 25	Ditto -	4,495 18 -	4,980 13 -
May 23	Ditto -	8,454 5 -	9,243 18 -
30	Ditto -	341 10 -	331 11 -
June 23	Ditto -	8,048 10 -	8,758 17 -
July 20	Ditto -	185 - -	204 10 -
Auguſt 11	Ditto -	8,225 5 -	8,995 5 -
23	Ditto -	2,326 10 -	2,378 9 -
29	Ditto -	6,748 10 -	7,409 18 -
Sept. 15	Ditto -	218 15 -	229 13 -
24	Ditto -	6,010 - -	6,596 5 -
Nov. 12	Ditto -	3,859 10 -	4,208 18 -
	Total	416,892 18 -	402,502 16 -

MINT *of the* UNITED STATES,

Treaſurer's-Office, November 24, 1796.

NICHOLAS WAY.

ABSTRACT

DR. CHIEF COINER, his account of Silver, in Account

1795.		Standard Wt. oz.	dwts.	grs.	Value. dolls.	cts.	ms.
Sept. 30	To Silver Bullion delivered him for coinage, from the commencement of the Mint eſtabliſhment to this day	320,17[illegible]	3	-	369,42[illegible]	5	5
Dec. 31	— Silver Bullion, delivered him in the quarter ending th s day	12,407	12	-	14,316	46	-
1796.							
March 31	— Ditto ditto ditto	4,584	6	-	5,289	56	-
June 30	— Ditto ditto ditto	14,550	2	-	16,795	09	-
Sept. 30	— Ditto ditto ditto	34,572	17	-	39,891	73	5
Oct. 3	— Ditto ditto ditto	365	5	-	421	44	-
		386,65[illegible]	5	-	446,141	74	-
Nov. 24	To Balance due Treaſurer of the Mint - - -	844	17	5	974	75	5

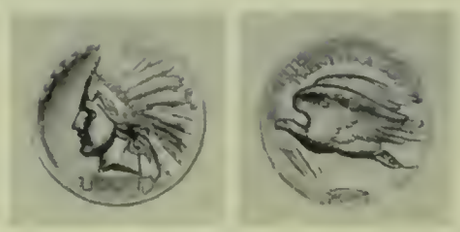
(F.)

Current with the TREASURER of the MINT. CR.

1795.		Standard Wt. oz.	dwt.	grs.	Value. dolls.	cts.	m.
Sept. 30	By Silver Coins received from him, from commencement of Mint eſtabliſhment to this day - - -	250,828	15	4	289,417	80	-
Dec. 31	—Silver Coins received from him in the quarter ending this day - - -	70,430	10	16	81,266	-	-
1796.							
March 31	—Ditto ditto ditto	8,540	2	16	9,854	-	-
June 30	—Ditto ditto ditto	19,470	2	-	22,465	50	-
Sept. 30	—Ditto ditto ditto	27,669	4	-	31,926	-	-
Oct. 17	—Ditto ditto, this day	7,022	12	-	8,103	-	-
Nov. 19	—Allowance for waſtage, at the rate of 2grs. per oz. (in purſuance of a warrant of the Director, dated this day) for melting, refining and coining 383,961oz. 6dwts. 12grs. being the weight returned by him in coin as above -	1,599	16	15	1,845	95	5
—	—Silver Coins received from him, from 16 May, 1795, to this day, retained by me for the inſpection of Commiſſioners appointed by law to make aſſays of reſerved pieces at the Mint - - -	95	6	16	110	-	-
—	—Silver Bullion received from him this day, in purſuance of a warrant of the Director	154	18	-	178	73	-
24	—Balance due Treaſurer of the Mint - - -	844	7	5	974	75	5
		386,656	5	-	446,141	74	-

MINT *of the* UNITED STATES,
Treaſurer's-Office, Nov. 24, 1796.

NICHOLAS WAY.



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